



240 Route 10 West
P.O. Box 206
Whippany, NJ 07981-0206
www.suburbanpropane.com

Paul M. Rozenberg
Senior Manager
Government Affairs &
Corporate Communications
prozenberg@suburbanpropane.com
(p) 973.503.9915
(c) 862.217.9643

March 20, 2024

VIA ELECTRONIC MAIL

House Environment and Natural Resources Committee
Rhode Island General Assembly
82 Smith Street
Providence, RI 02903

RE: House Bill 7782 - Amend

Dear Chair Bennett, First Vice Chair Phillips, Second Vice Chair Carson, and Committee Members:

Suburban Propane writes in regards to House Bill 7782 (“Bill”), which establishes a clean heat standard (“Standard”) for Rhode Island’s thermal sector. Suburban Propane has been serving customers for more than 95 years and is the nation’s third-largest propane retailer with operations in 42 states. In Rhode Island, we have 13 employees serving more than 6,600 customers.

Suburban Propane supports the State’s overall goal of reducing the carbon footprint of buildings, especially technology-neutral policies that rely on objective data, such as carbon intensity (CI) scores. While the Bill relies on the carbon intensity of fuels, it will not effectively reduce emissions as it:

- precludes consumers switching from fuels with a high CI score, like heating oil (which has a CI score of 100), to lower-CI-value fuels, including heating oil blended with biodiesel (a CI score range of approximately 68 to 9) or propane (a CI score of 83);
- expressly carves renewable natural gas (which has a CI score as low as -533) and hydrogen (a CI score as low as -390) out of the definition of “clean heat measures,” even though these fuels are extremely powerful tools that can immediately decarbonize the thermal sector.

The ultimate purpose of the Standard is to lower carbon emissions in the heating sector, and we should use every available tool we have. Therefore, we ask that the Bill be amended to include fuels solely on their carbon intensity and allow all low-carbon fuels to qualify as clean heat measures.

House Bill 7782 requires heating fuel retailers to retire a certain number of clean heat credits, which are tradeable and “earned by reducing greenhouse gas emissions through the delivery of clean heat



measures¹.” However, switching from a high CI-value fuel to an energy source with a CI score below the provided benchmarks does not necessarily count as a clean heat measure, nor does using renewable natural gas or hydrogen. As written, the Bill clearly favors electricity over all other fuels under the inaccurate assumption that it is the cleanest energy source, which is counterproductive to the State’s carbon reduction goals.² In fact, according to the U.S. Energy Information Administration, over 90 percent of the electricity on Rhode Island’s grid is generated from natural gas.³

Tech-neutrality is what makes other cap and trade carbon intensity reduction programs effective in lowering carbon emissions. In the transportation sector, California’s Low Carbon Fuel Standard and Oregon’s Clean Fuels Program have been incredibly successful, because they are tech-neutral and allow consumers to choose from a wide variety of available fuels. Suburban Propane has been a vocal supporter of the Low Carbon Fuel Standard and the Clean Fuels program. Both states have met their reduction goals with no impact on fuel prices or consumers requirement to adopt costly technology improvements.

As currently written, House Bill 7782 is not technology-neutral as certain fuels cannot be used as clean fuel heat measures, even if the fuel is low-carbon, carbon-neutral, or even carbon-negative. This makes the Bill both less effective and costlier to consumers. For example, with a CI score as low as -533, renewable natural gas (RNG) can immediately decarbonize the thermal sector. RNG has the added benefit of being a drop-in fuel for current natural gas customers, meaning they can use it with the infrastructure they already have, saving customers thousands of dollars in conversions. However, switching from natural gas to RNG does not count as a clean heat measure, leaving a powerful tool in reducing carbon emissions unused and forcing consumers to pay significant amounts of money for converting their heating systems.

Combatting the impacts of climate change will be achieved only if Rhode Island adopts a truly technology-neutral approach and uses all available clean, low-carbon energy at its disposal. Based on the foregoing, House Bill 7782 should be amended to expand the definition of “clean heat measure” to include switching to any low-carbon, carbon-neutral, or carbon-negative fuel. Please let me know if you have any questions or need additional information. If you would like, we would be happy to set up a meeting to discuss. Thank you for your consideration.

¹ A “clean heat measure” is defined in the Bill as “fuel and technologies delivered and installed to end-use customers in Rhode Island that reduce greenhouse gas emissions.”

² According to the New York Times, demand for electricity is spiking across the nation, leading many states to build new gas-fired power plants, which is undercutting their own climate goals. See <https://www.nytimes.com/interactive/2024/03/13/climate/electric-power-climate-change.html?smid=nytcore-ios-share&referringSource=articleShare>.

³ See <https://www.eia.gov/state/?sid=RI#tabs-4>.



Sincerely,

/s/ Paul M. Rozenberg_____

Paul M. Rozenberg
Sr. Manager, Government Affairs &
Corporate Communications
Suburban Propane